

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY
NRS 233B.066
Informational Statement
LCB File No. R081-20**

1. A clear and concise explanation of the need for the adopted regulation.

This regulation is necessary to:

- Update the addresses of Nevada Department of Agriculture offices in Sparks and Las Vegas and add the address of the Nevada Department of Agriculture office in Elko.
- Update the titles and purchase prices (from ASTM, International) for the volume that contains standard methods for the analysis of glycol base engine coolants, and for the adopted standard specification for glycol base engine coolants contained therein.
- Update the purchase price (from ASTM, International) for the adopted ASTM standard specifications for aviation gasoline and aviation turbine (jet) fuel.
- Establish civil penalties for violations of any provision of NRS 590.160 to 590.330, inclusive (Advertisement of Motor Vehicle Fuel and Petroleum Products).

2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

Copies of the proposed regulations, notices of workshop and notices of intent to act upon the regulation were sent by email to persons who were known to have an interest in the subject of motor fuels and petroleum products, as well as any persons who had specifically requested such notice. These documents were also made available at the website of the Nevada Department of Agriculture (NDA) www.agri.nv.gov, at the website Nevada Public Notice Website www.notice.nv.gov and were provided to all county libraries in Nevada and posted at the following locations:

Nevada Department of Agriculture
405 South 21st Street
Sparks, NV 89431

Nevada Department of Agriculture
2150 Frazer Avenue
Sparks, NV 89431

Nevada Department of Agriculture
2300 E. St Louis Avenue
Las Vegas, NV 89104

Nevada Department of Agriculture
4780 E. Idaho Street
Elko, NV 89801

A workshop was held on October 14, 2020 and the recording and minutes of that meeting contain the complete details of the workshop discussion. There was only one comment from the attendees. Joseph Sorena, Chevron Products Company, spoke in support of the new sections being established and that the updates represent best practices.

A public hearing for the adoption of the regulations was held at 12:35 pm on December 9, 2020. There were no comments expressing concern for the suggested changes. Mr. Peter Krueger, Nevada Petroleum Marketers and Convenience Store Association, commented that his organization is in support of the proposed changes. Mr. Paul Anderson, Pilot Thomas Logistics (also petroleum representative on the Nevada Department of

Agriculture), expressed that his company is also in support of the changes and that in conversation with those in the petroleum industry, that the changes were supported.

Interested persons may obtain a copy of the recording and/or minutes of the October 14, 2020 workshop and the December 9, 2020 public hearing by contacting:

Nevada Department of Agriculture
 Division of Consumer Equitability
 Attn: Dr. William Striejewske, Senior Petroleum Chemist
 405 South 21st Street
 Sparks, NV 89431
 Phone: 775-353-3792 Email: wstriejewske@agri.nv.gov

- 3. The number of persons who:**
 (a) **Attended each hearing:**
 (b) **Testified at each hearing:**
 (c) **Submitted written comments:**

Workshop date: October 14, 2020

Number in attendance: 3
 Number testifying: 1
 Written statements submitted: 0

Hearing date: December 9, 2020

Number in attendance: 3
 Number testifying: 2
 Written statements submitted: 0

- 4. A list of names and contact information, including telephone number, business address, business telephone number, electronic email address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency is attached listed below.**

a) October 14, 2020 workshop attendance

Name	Entity or Organization	Address	Business Telephone	Email Address
Joseph Sorena	Chevron Products Company	1500 Louisiana Houston, TX 77002	(832) 854-4840	jsorena@chevron.com
Margo Parks	Western States Petroleum Association (WSPA)	1415 L. Street, Suite 900 Sacramento, CA 95814	(916) 325-3122	mparks@wspa.org
Christina Chen	Ramboll, on behalf of WSPA	5 Park Plaza, Suite 500,	(949) 798-3634	christinachen@ramboll.com

		Irvine, CA 92614		
Brandon Harmon	NDA	405 S. 21 st Street, Sparks, NV 89431	(775) 353- 3720	bharmon@agri.nv.gov
Ciara Ressel	NDA	405 S. 21 st Street, Sparks, NV 89431	(775) 353- 3628	cressel@agri.nv.gov
Cadence Matijevich	NDA	405 S. 21 st Street, Sparks, NV 89431	(775) 353- 3726	c.matijevich@agri.nv.gov
Dr. William Striejewske	NDA	405 S. 21 st Street, Sparks, NV 89431	(775) 353- 3792	wstrijewske@agri.nv.gov

b) December 9, 2020 hearing attendance

Name	Entity or Organization	Address	Business Telephone	Email Address
Peter Krueger	Nevada Petroleum Marketers and Convenience Store Association	1575 Delucchi Lane, Suite 201 Reno, Nevada 89502	(775) 622-9665	peter@fuelingnevada.com
Paul Anderson	Pilot Thomas Logistics	995 S. McCarran Blvd. #103, Sparks, NV, 89431	(775) 848-0834	Paul.Anderson@pilotthomas.com
Alexander Wang	Ramboll, on behalf of WSPA	5 Park Plaza, Suite 500, Irvine, CA 92614	Not provided	awang@ramboll.com
Brett Fisher	NDA	405 S. 21 st Street, Sparks, NV 89431	(775) 353-3720	bafisher@agri.nv.gov
Cadence Matijevich	NDA	405 S. 21 st Street, Sparks, NV 89431	(775) 353-3783	c.matijevich@agri.nv.gov
Dr. William Striejewske	NDA	405 S. 21 st Street, Sparks, NV 89431	(775) 353-3792	wstrijewske@agri.nv.gov

5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.

A survey was conducted of small businesses that would potentially be affected by the regulation. The survey was available for completion online or in hard copy form. Notice of the survey was mailed via the United States Postal Service to 432 motor fuel and petroleum products stakeholders, requesting that those businesses meeting the definition of small business under NRS 233B.0382 complete the survey. The survey was open for response from August 6, 2020 through September 4, 2020. A total of 14 survey responses were received.

Interested persons may obtain a copy of the summary of the small business survey by contacting:

Nevada Department of Agriculture
Division of Consumer Equitability
Attn: Dr. William Striejewski, Senior Petroleum Chemist
405 South 21st Street
Sparks, NV 89431
Phone: 775-353-3792 Email: wstrijewski@agri.nv.gov

6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

Comments received at both the workshop on October 14, 2020 and the hearing on December 9, 2020 were supportive of the proposed actions and no changes were requested. As a result, the file was adopted as drafted.

7. The estimated economic effect of the regulation on the business which it is to regulate and on the public.

(a) Estimated economic effect on the businesses which they are to regulate.

(b) Estimated economic effect on the public.

Economic effect on business

a) Both adverse and beneficial effects

Adverse: A new section establishes civil penalties on businesses found in violation of the statutes governing advertisement of fuels and petroleum products. Assessment of these penalties would have the largest adverse effect on businesses. However, unless a business is found to be in violation and penalized, there is no adverse effect.

The proposed regulation also includes updating the costs to purchase certain standards and specifications published by organizations other than the agency, but adopted by the agency by reference within NAC Chapter 590. Businesses who wish to purchase these documents will be subject to these higher prices established by the publisher.

Beneficial: A new section establishes civil penalties on businesses found in violation of the statutes governing advertisement of fuels and petroleum products. The agency anticipates that the potential of assessing penalties would reduce violations of the

advertising statutes, which might be beneficial to businesses who are not in violation, as misleading advertising would not put them at an economic disadvantage.

b) Both immediate and long-term effects

Immediate: A new section establishing civil penalties for violations of the statutes on advertisement of fuels and petroleum products would go into effect upon adoption of the regulation, and as a result may have immediate effects on businesses in violation of the relevant statutes.

Long-term: The establishment of a section concerning civil penalties for violations of the statutes on advertisement of fuels and petroleum products would be an ongoing concern for businesses.

Economic effect on the public

a) Both adverse and beneficial effects

Adverse: The proposed regulation includes updating the costs to purchase certain standards and specifications purchased by organizations other than the agency but adopted by the agency within NAC Chapter 590. Members of the public who wish to purchase these documents will be subject to these higher prices.

Beneficial: The agency anticipates a benefit to the public through the new section being added to NAC Chapter 590. Establishing civil penalties for violations of statutes concerning advertising of fuels and petroleum products is intended to reduce instances of misleading advertising by retailers and will eliminate consumer confusion. It will also protect the consumer from inappropriate or noncompliant product in the marketplace, preventing damage to their vehicles.

b) Both immediate and long-term effects

Immediate: The establishment of a section concerning civil penalties for violations of the statutes on advertisement of fuels and petroleum products would go into effect upon adoption of the regulation, and as a result could have immediate effects on the public, as businesses in violation would face economic penalties.

Long-term: The establishment of a section concerning civil penalties for violations of the statutes on advertisement of fuels and petroleum products would be an ongoing concern for businesses.

8. The estimated cost to the agency for enforcement of the proposed regulation:

The agency does not anticipate that its ongoing costs to enforce the proposed revised provisions of NAC 590 will increase as result of the proposed regulations. The agency anticipates one-time costs of approximately \$1,200 to print and mail a notice of the revised regulations to all fuel and petroleum product business owners and stakeholders following adoption of the regulation.

9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or

overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The proposed regulations do not duplicate federal, state or local standards.

10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

N/A

11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

N/A

Submitted by:

Date:

**Jennifer Ott
Director
Nevada Department of Agriculture**

12/16/2020